

***United States Court of Appeals  
for the Second Circuit***



**PETITIONER'S  
BRIEF AND  
APPENDIX**



76-4256

Walter M. Janczak v. Secretary of Labor

Leave for Walter M. Janczak, appellant  
pro se, to file the within documents is hereby  
granted.

Date: 3-22-77

U.S.C.J.

Thom J. Markey

APR 2 1977

76-4256

### THE STATEMENT

This brief is prepared independent of any legal help. It takes issue with the Department of Labor, William J. Usery, Jr., on behalf of Walter M. Janczak (et.al) of 14 Beech Street, Lackawanna, New York 14218. The style used in preparing this brief is that of the United Steelworkers vs Bethlehem Steel Corp. The Docket number of the instant case is - 76-4256. Petitioner's material comprising the record was submitted to the Second Circuit Court of Appeals, New York, New York, in compliance with an outline by Vincent A. Carlin, Chief Deputy Clerk, on December 30, 1976. This is Step Two of such Outline.

### THE FACTS

Reference has been and is herein made to Public Law 93-274, entitled January 3, 1975. This law, commonly known as the Trade Relief Act of 1974 is comprised of six titles. Title II (two), styled "Relief From Injury Caused by Import Competition", has five (5) Chapters and eighty-four (84) Sections. Specifically the sections run in order from 201 through 284. At issue will be Section 247, Sub-chapter C of Part 3. Quoted below will be the pertinent parts:

#### "Sec. 247 Definitions":

For the purpose of this Chapter -

- (1) the term "adversely affected employment" means employment in a firm or appropriate subdivision of a firm, if workers of such firm or subdivision of a firm are eligible to apply for adjustment assistance under this chapter.
- (2) -the term "adversely affected worker" means an individual who, because of lack of work, is adversely affected employment...
  - a) has been totally or partially separated from such employment or,
  - b) has been totally separated from employment with the firm in a subdivision of which such adversely affected employment exists.

The underscored portion has the Shorty name - "Bumper - Bumpee". In more common language, "Bumper-Bumpee" means that because of seniority, an employee (adversely affected) may replace another employee (adversely affected or non-adversely affected) of the Corporation.

Several informal meetings were held in Washington, D. C. with co-competitors, officers of Local Unions 2601, 2602, 2603, 2604 and 3144 and members of the D.O.L. with regards to the "Bumper - Bumpee" situation in Award TA-W-884 granted on September 20, 1976 with an impact date of May 7, 1975. Many other issues were raised but subsequently were dropped.

The D.O.L. is of the opinion that the Bumper - Bumpee situation arises only when an adversely affected employee bumps another employee without being laid off from the Corporation. They are of the opinion that continuity must be maintained by having no break in service. The Petitioner is of the opinion that a break in service does not negate the Bumper-Bumpee situation. For example, an adversely affected employee may be laid off from the Corporation. Twenty-six weeks later (in accordance with seniority provisions of employees of the Lackawanna Plant of Bethlehem Steel Corp.) such employee may bump an employee with lesser seniority in a non-adversely affected department. In this case, Petitioner is of the opinion that both employees qualify for the T.R.A. The D.O.L. promulgated a handbook in July of 1975 styled Handbook No. 315, Part "C". Chapter I, Section 8,a, page C-I-3, states:

"the worker must have been -

- (1) totally or partially separated from adversely affected employment, or
- (2) totally separated from a non-adversely affected subdivision of a firm as a result of lack of work in an adversely affected subdivision of such firm. This type of separation occurs when an individual employed in a non-adversely affected subdivision of a firm is "bumped" as a direct result of the exercise of a seniority right to another job in the firm by a worker, who, due to lack of work has been separated from an adversely affected subdivision of such firm. If more than one bump is involved, all that is required is that there be sufficient evidence of the connection through each successive bump.

The Petitioner feels that this firms-up his position on the Bumper-Bumpee.

#### THE ISSUE

The issue is whether or not a Bumper-Bumpee situation occurs as detailed by the Petitioner in the Facts portion of this brief.

#### REMEDY SOUGHT

Requested herein is to certify those "Bumpee" employees affected by TA-W-884 currently being denied T.R.A.

On behalf of,

  
Walter Janczak  
Co-petitioner, et.al.

benefit year ends and (1) if the claimant becomes entitled to UI in another State or (2) if the claimant does not become entitled to UI and his total or partial separation was in another State. (For instructions relating to transfer of claims refer to Chapter III, item 10.)

d. Application of State Law. During the period in which a State remains the paying State, the availability and disqualification provisions of the UI law of such State are applicable to TRA claims, except where such provisions are inconsistent with the provisions of the Trade Act of 1974.

7. Requirements for Eligibility to Apply for TRA. To be eligible to apply for TRA, an applicant must be one of a group of workers covered under a certification of eligibility to apply.

a. Limitation of Coverage Under a Certification Issued under the Trade Act of 1974. A certification issued by the Secretary under the 1974 Act does not cover any worker whose last total or partial separation from adversely affected employment occurred--

(1) More than one year before the date of the petition on which the certification was granted or

(2) Before October 3, 1974, except as provided in section 246(b) of the Act. (See Chapter XII, Transitional Provisions.)

8. Separation Requirements. All workers who are eligible to apply for TRA must meet the following separation requirements:

a. The worker must have been:

(1) totally or partially separated from adversely affected employment, or

(2) totally separated from a non-adversely affected subdivision of a firm as a result of lack of work in an adversely affected subdivision of such firm. This type of separation occurs when an individual employed in a non-adversely affected subdivision of a firm is "bumped" as a direct result of the exercise of a seniority right to another job in the firm by a worker who, due to lack of work, has been separated from an adversely affected subdivision of such firm. If more than one bump is involved, all that is required is that there be sufficient evidence of the connection through each successive bump.

In addition to the requirements specified above, the worker's last total or partial separation prior to applying for TRA must have occurred--

(1) on or after the impact date specified in the certification under which the worker is covered, and

(2) before the expiration of the 2 year period beginning with the certification date, or before any earlier date the Secretary may specify for termination of the certification.

Act shall be deducted from the total number of weeks of unemployment for which an adversely affected worker is eligible for trade readjustment allowances under this chapter.

(e) The Commission shall make available to the Secretary on request data it has acquired in investigations under section 301 of the Trade Expansion Act of 1962 concluded within the 2-year period ending on the effective date of this chapter which did not result in Presidential action under section 302(a)(3) or 302(c) of that Act.

Data, availability.

19 USC 1901.

19 USC 1902.

19 USC 2319.

#### SEC. 247. DEFINITIONS.

For purposes of this chapter—

(1) The term “adversely affected employment” means employment in a firm or appropriate subdivision of a firm, if workers of such firm or subdivision are eligible to apply for adjustment assistance under this chapter.

(2) The term “adversely affected worker” means an individual who, because of lack of work in adversely affected employment—

(A) has been totally or partially separated from such employment, or

(B) has been totally separated from employment with the firm in a subdivision of which such adversely affected employment exists.

(3) The term “average weekly manufacturing wage” means the national gross average weekly earnings of production workers in manufacturing industries for the latest calendar year (as officially published annually by the Bureau of Labor Statistics of the Department of Labor) most recently published before the period for which the assistance under this chapter is furnished.

(4) The term “average weekly wage” means one-thirteenth of the total wages paid to an individual in the high quarter. For purposes of this computation, the high quarter shall be that quarter in which the individual’s total wages were highest among the first 4 of the last 5 completed calendar quarters immediately before the quarter in which occurs the week with respect to which the computation is made. Such week shall be the week in which total separation occurred, or, in cases where partial separation is claimed, an appropriate week, as defined in regulations prescribed by the Secretary.

(5) The term “average weekly hours” means the average hours worked by the individual (excluding overtime) in the employment from which he has been or claims to have been separated in the 52 weeks (excluding weeks during which the individual was sick or on vacation) preceding the week specified in the last sentence of paragraph (4).

(6) The term “partial separation” means, with respect to an individual who has not been totally separated, that he has had—

(A) his hours of work reduced to 80 percent or less of his average weekly hours in adversely affected employment, and

(B) his wages reduced to 80 percent or less of his average weekly wage in such adversely affected employment.

(7) The term “remuneration” means wages and net earnings derived from services performed as a self-employed individual.

(8) The term “State” includes the District of Columbia and the Commonwealth of Puerto Rico; and the term “United States” when used in the geographical sense includes such Commonwealth.

(9) The term “State agency” means the agency of the State which administers the State law.

76-4256

United States Court of Appeals  
Second Circuit  
New York, New York

To the Clerk of the Second Circuit Court of Appeals

Enclosed is the list of material assembled to the best of our knowledge and ability pursuant to Docket # 76-4256, Walter M. Janczak, et al Petitioners vs William J. Usery, Jr. Respondent and in compliance with paragraph I of the Briefing Schedule dated November 23, 1976.

Reference can also be made to H. R. 10710, Public Law 93-618, Title II Chapter II, "Trade Act of 1974" and Publication in the Federal Register on May 19, 1976 of TAW - 884 in accordance with Section 223 of said Public Law.

B  
PS

Brief and Appendix

Walter M. Janczak  
Walter M. Janczak et al



December 30, 1976

# Bethlehem Steel Corporation

## LACKAWANNA PLANT

50-3506 LAKE SHORE ROAD  
BUFFALO, N. Y. 14219



December 21, 1976

Mr. Richard Corcoran  
Chairman, Grievance Committee  
United Steelworkers of America  
A.F.L.-C.I.O.-C.I.C.  
650 Ridge Road  
Lackawanna, New York 14218

Dear Mr. Corcoran:

In response to your inquiry to V. F. Hetrick,  
Assistant General Manager, on Monday, December 20, 1976, please  
be advised that the total ingot tons produced at the Lackawanna  
Plant during 1975 was 2,538,000 tons.

Very truly yours,

A handwritten signature in cursive ink that appears to read "G. W. DeHart".

G. W. DeHart  
Superintendent, Labor Relations

DWC/mb

BEST COPY AVAILABLE

Walter J. Burke  
National Secretary-Treasurer

E. W. Abel  
President

John S. Johns  
International Vice President

# United Steelworkers of America

AFL-CIO-CLC

815 16TH ST., N.W., WASHINGTON, D.C. 20006

Suite 706

Phone (202) 638-6929

November 15, 1976

Mr. Marvin Fooks, Director  
Office of Trade Adjustment Assistance  
Department of Labor  
Bureau of International Labor Affairs  
3rd Street & Constitution Ave., N.W.  
Washington, D.C. 20210

Re: TA-W-884 & TA-W-1006  
USWA Local Unions 2601-2604 & 3144  
Bethlehem Steel, Woodlawn, N.Y.

Dear Mr. Fooks:

The United Steelworkers of America on behalf of the petitioner in the above-cited case hereby requests review of the determination made by the Department of Labor on September 20, 1976.

While the DOL properly did certify a unit of production and the members employed therein, the petitioner contends among others that the DOL erred in unnecessarily restricting the scope of such certification.

The basis for such request for review is predicated on but not restricted to the following:

(1) The determination of September 20, 1976 should have included an evaluation of the impact of imports upon specialty products and bridge joists. If properly included, the product lines would have broadened the number of eligible workers in the affected departments. There is, therefore, a new class of affected workers who were not defined or included in the original determination.

(2) In its determination, DOL did not properly apportion the injury found to include adversely affected workers in the steelmaking, blast furnace, coke ovens, garage, narrow gauge, or auxiliary services departments who likewise were engaged in production of products affected by the impact of imports.

Mr. Marvin Fooks

November 15, 1976

Furthermore, a finding of injury in the above departments itemized in the preceding paragraph will change the ratio of the total ingot tonnage affected by the imported products, thereby creating a larger percentage of affected workers in the steelmaking facility.

(3) The implementation of the retroactive date of May 7, 1975, was improperly applied to exclude workers whose vacation period, although terminating prior to the impact period, did not require reporting for scheduled work until some time after the designated impact period. They, therefore, should be adjudged to have been unemployed at the time of their regular reporting period.

The United Steelworkers of America respectfully requests the DOL to review the instant case on the basis of the foregoing and other proper considerations which may be raised in the course of the investigation, including the convening of an informal hearing at the parties convenience, wherein the parties, including representatives of the employer, may explore, assess and discuss matters pertinent to this case.

Respectfully submitted, I am

Sincerely,



John L. Oshinski  
International Representative

JLO/pam

Walter J. Burke  
International Secretary-Treasurer

I. W. Abel  
President

John S. Johns  
International Vice President

# United Steelworkers of America

AFL-CIO-CLC

815 16TH ST., N.W., WASHINGTON, D.C. 20006

Suite 706

Phone (202) 638-6929

November 15, 1976

Mr. Art Sambuchi, President  
USA Local Union 2603  
650 Ridge Road  
Lackawanna, New York 14218

Re: Trade Adjustment Assistance  
TA-W-884 & TA-W-1006

Dear Sir and Brother:

Enclosed for your records and information is copy of our request for review of determination cited above. Also enclosed for your information is additional data compiled by the investigator in the case that comprised the basis of the recommendation which then led to the DOL determination. It is important that you evaluate the latter document and should your analysis provide additional information (or errors in fact) which would be useful in the pursuit of our appeal, kindly advise your International Staff Representative for relay to this office.

Additionally, we are enclosing a copy of the cover letter and petition seeking certification of units for other carbon steel products than those incorporated in TA-W-884, including plate, structural sizes and piling.

The meeting of the officers of the combined local unions with officials of the DOL Trade Adjustment Assistance Department and the members of our Legislative Department on November 12 in Washington, D. C. was productive, both from an informational as well as tactical basis.

Certainly it is important that the local union officers quickly prevail upon and condition representatives of the company to qualify, as we discussed, those members for adjustment assistance whose layoff occurred May 3, 1975, and those whose eligibility has been questioned because of their vacation schedule.

Likewise, we're sure you will also be discussing with the employer and the New York State Employment Service the status of those members "adversely affected" directly, or as a result of or through the bumping procedure.

Regarding the substance of the determination, it is proper to list and identify the following pertinent items raised in the meeting of November 12:

(1) The DOL attributed the basis of its determination on the levels of production from economic data submitted by the company (viz. 1975 Tonnage at Lackawanna reported at 4.7 million Ingot Tons). It was the contention of the representation of the combined local unions that such figures submitted are in error. These erroneous figures then, tilted the scope of the determination by diminishing the true ratio of structural shapes, piling and allied products to that of the total production. Thus, the real ratio should be raised, qualifying more members for TAA eligibility.

It will be important to gain support from the company that the points raised by the union regarding total production in 1975 can be confirmed. The lack of such corroborating testimony will seriously injure the appeal's thrust.

(2) To extend the scope of the certification to the other steelmaking sectors of the facility will not only require increasing the ratio of appropriate subdivision products, but also in diminishing or lowering that of the total tonnage reported produced. Previous DOL determinations as reported by Mr. Fooks of the DOL at our meeting found that in an integrated operation where all departments of the facility participated in some step of the production of the eventual product produced, that it was necessary to reach a 20% reduction in production or employment as affected by the impacted products.

Hence, even though the steelmaking employment was affected by structural steel and pilings imports, the impact was not sufficient to account for at least 20% of the total unemployment.

Therefore, DOL is not able to determine who specifically of the total unemployed steelmaking workers are in that status solely because of imports. In other words, it is necessary to declare all of the workers in the steelmaking facility eligible in order to obtain TAA benefits.

Again, this office has filed the request for review and contacted corporate level officers of the company in hope of securing data necessary to extend the scope of the certification to our members.

We will keep you advised of all developments in this matter.

Fraternally,

John J. Sheehan

Legislative Director

John L. Oshinski

International Representative

NOTICE OF APPEAL.

United States Court of Appeals  
Second Circuit  
New York, New York

To the Clerk of the Second Circuit Court of Appeals

Pursuant to Section 250 of P. L. 93-618, the Trade Act of 1974,  
I Walter M. Janczak of 14 Beech Street of the City of Lackawanna,  
State of New York 14218;

Petition this Court to review the decision of the Secretary  
of Labor TA - W - 884 dated the 20th day of September, 1976 in  
which I am a named petitioner.

November 12, 1976

Walter M. Janczak  
Walter M. Janczak

Joseph C. Kozlowski  
Thomas Grubal - Local 2604  
Kenneth R. Blewack Local 2602  
Richard H. Potratz Local 3144  
John Atwell Local 2603

U.S. DEPARTMENT OF LABOR  
BUREAU OF INTERNATIONAL LABOR AFFAIRS  
WASHINGTON, D.C. 20210



OCT 4 1976

Mr. Richard Paluch  
15 Gravel Place  
Lackawanna, New York

Dear Mr. Paluch:

This is to inform you that the Certifying Officer issued the following denial of eligibility to apply for adjustment assistance under the Trade Act of 1974:

TA-W-884                   Bethlehem Steel Corporation  
(Workers producing steel ingots, blooms and slabs)  
(steel making Division, carbon steel sheet and )  
(strip, Strip Mill Division, special products,)  
(Special Products Shop)  
Lackawanna Works  
Woodlawn, New York

Enclosed is a copy of the Notice of Determination. A copy of the Department's news release will follow under separate cover.

Yours truly,

*Marvin M. Fooks*  
MARVIN M. FOOKS  
Director, Office of  
Trade Adjustment Assistance

Enclosure

DEPARTMENT OF LABOR

Office of the Secretary

[TA-W-884]

BETHLEHEM STEEL CORPORATION  
LACKAWANNA WORKS  
WOODLAWN, NEW YORK

Notice of Determinations Regarding Eligibility  
to Apply for Worker Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974 the Department of Labor herein presents the results of TA-W-884: investigation regarding certification of eligibility to apply for worker adjustment assistance as prescribed in Section 222 of the Act.

The investigation was initiated on May 19, 1976 in response to a worker petition received on May 19, 1976 which was filed by three workers on behalf of workers and former workers producing steel bars, beams, strips, ingots, billets and specialty steel items. The investigation revealed that the following products were also produced: carbon steel sheet, structural shapes and piling, slabs, blooms and steel rail.

The Notice of Investigation was published in the Federal Register on June 11, 1976 (41 FR 23819). No public hearing was requested and none was held.

The information upon which the determination was made was obtained principally from officials of Bethlehem Steel Corporation and its customers, the U.S. Department of Commerce, the American Iron and Steel Institute, the U.S. International Trade Commission, industry analysts and Department files.

In order to make an affirmative determination and issue a certification of eligibility to apply for adjustment assistance

each of the group eligibility requirements of Section 222 of the Trade Act of 1974 must be met:

- (1) that a significant number or proportion of the workers in the workers' firm, or an appropriate subdivision thereof, have become totally or partially separated, or are threatened to become totally or partially separated;
- (2) that sales or production, or both, of such firm or subdivision have decreased absolutely;
- (3) that articles like or directly competitive with those produced by the firm or subdivision are being imported in increased quantities, either actual or relative to domestic production; and
- (4) that such increased imports have contributed importantly to the separations, or threat thereof, and to the decrease in sales or production.

The term "contributed importantly" means a cause which is important but not necessarily more important than any other cause.

The investigation has revealed that with respect to those workers engaged in the production of structural steel and piling in the Mills Structural and Slabbing Division, all four criteria have been met. With respect to those workers engaged in the production of steel ingots, blooms and slabs in the plant's Steelmaking Division, carbon steel sheet and strip in the plant's Strip Mill Division and specialty items, consisting primarily of guard rail, corrugated roofing and steel shapes, in the plant's Specialty Products Shop, the fourth criterion has not been met. With respect to those workers engaged in the production of bars in the Mills Bar Division, the third criterion has not been met and with respect to those workers engaged in the production of steel rail in the Mills Bar Division, the second criterion has not been met.

Significant Total and Partial Separations

Employment of production workers in the plant's Steelmaking Division engaged in the production of steel ingots, blooms and slabs decreased 4.9 percent in 1974 compared with 1973, decreased 58.3 percent in 1975 compared with 1974 and decreased 11.1 percent in the first half of 1976 compared with the first half of 1975.

Employment of production workers engaged in sheet and strip production in the plant's Strip Mill Division decreased 5.6 percent in 1974 compared with 1973, decreased 53.3 percent in 1975 compared with 1974 and increased 85.8 percent in the first half of 1976 compared with the first half of 1975.

Employment of production workers engaged in the production of structural steel and piling in the Mills Structural and Slabbing Division decreased 7.0 percent in 1974 compared with 1973, decreased 55.3 percent in 1975 compared with 1974 and decreased 45.8 percent in the first half of 1976 compared with the first half of 1975.

Employment of production workers engaged in the production of bar and steel rail in the Mills Bar Division decreased 14.0 percent in 1974 compared with 1973, decreased 27.8 percent in 1975 compared with 1974 and decreased 13.3 percent in the first half of 1976 compared with the first half of 1975.

Employment of production workers in the plant's Specialty Products Shop engaged in the production of special products such as guard rail and specified shapes decreased 9.1 percent in 1974 compared with 1973, decreased 66.0 percent in 1975 compared with 1974 and decreased 5.7 percent in the first half of 1976 compared with the first half of 1975.

Sales or Production, or Both, Have Decreased Absolutely

Sales to trade customers of blooms, slabs and ingots from Lackawanna's Steelmaking Division in terms of quantity decreased 68.2 percent in 1974 compared with 1973, increased 46.6 percent in 1975 compared with 1974 and decreased 90.0 percent in the first quarter of 1976 compared with the first quarter of 1975.

Sales of blooms, slabs and ingots have never exceeded 5.0 percent of the Division's production of blooms, slabs and ingots since 1973.

Sales of sheet and strip in terms of quantity from the plant's Strip Mill Division increased 2.9 percent in 1974 compared with 1973, decreased 53.8 percent in 1975 compared with 1974 and decreased 30.5 percent in the first quarter of 1976 compared with the first quarter of 1975.

Sales of structural steel and piling in terms of quantity from the Mills Structural and Slabbing Division decreased 17.0 percent in 1974 compared with 1973, decreased 45.0 percent in 1975 compared with 1974 and decreased 82.1 percent in the first quarter of 1976 compared with the first quarter of 1975. No wide flanged structural steel has been produced at Lackawanna since May 1975.

Sales of bar in terms of quantity from the Mills Bar Division decreased 1.7 percent in 1974 compared with 1973, decreased 31.6 percent in 1975 compared with 1974 and decreased 30.8 percent in the first quarter of 1976 compared with the first quarter of 1975.

Sales of special items from the plant's Specialty Products Shop in terms of quantity decreased 15.9 percent in 1974 compared with 1973, decreased 48.9 percent in 1975 compared with 1974 and decreased 22.6 percent in the first quarter of 1976 compared with the first quarter of 1975.

Sales of rail in terms of quantity from the plant's Bar Mill Division increased 120.9 percent in 1974 compared with 1973, increased 80.7 percent in 1975 compared with 1974 and increased 95.1 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of ingots, slabs, and blooms in terms of quantity in the plant's Steelmaking Division decreased 17.5 percent in 1974 compared with 1973, decreased 42.4 percent in 1975 compared with 1974 and decreased 17.4 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of sheet and strip in the plant's Strip Mill Division in terms of quantity increased 3.0 percent in 1974 compared with 1973, increased 55.9 percent in 1975 compared with 1974 and increased 30.7 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of structural shapes and pilings in the plant's Structural and Slabbing Mill Division in terms of quantity decreased 20.8 percent in 1974 compared with 1973, decreased 47.2 percent in 1975 compared with 1974 and decreased 82.0 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of bars in terms of quantity in the plant's Bar Mill Division decreased 7.9 percent in 1974 compared with 1973, decreased 33.5 percent in 1975 compared with 1974 and decreased 29.9 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of specialty items in terms of quantity in the plants Specialty Products Shop decreased 19.9 percent in 1974

compared with 1973, decreased 50.6 percent in 1975 compared with 1974 and decreased 37.5 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of rail in terms of quantity in the Mills Bar Division increased 155.8 percent in 1974 compared with 1973, increased 96.4 percent in 1975 compared with 1974 and increased 81.0 percent in the first quarter of 1976 compared with the first quarter of 1975.

#### Increased Imports

Carbon steel blooms, slabs and ingots are included in a category also including castings, billets and sheet bars. Imports of this category decreased 5.3 percent in 1972 compared with 1971, decreased 45.7 percent in 1973 compared with 1972, increased 40.0 percent in 1974 compared with 1973, increased 48.7 percent in 1975 compared with 1974 and decreased 43.6 percent in the first quarter of 1976 compared with the first quarter of 1975. The ratios of imports to domestic production and consumption increased from 0.10 percent for each in 1974 to 0.18 percent for each in 1975 and decreased from 0.22 percent for each in the first quarter of 1975 to 0.14 percent for each in the first quarter of 1976.

Imports of carbon steel sheet and strip decreased 9.7 percent in 1972 compared with 1971, decreased 15.8 percent in 1973 compared with 1972, decreased 3.1 percent in 1974 compared with 1973, decreased 23.3 percent in 1975 compared with 1974 and decreased 16.3 percent in the first quarter of 1976 compared with the first quarter of 1975. The ratios of imports to domestic shipments and consumption

increased from 13.3 percent and 12.1 percent, respectively, in 1974 to 14.9 percent and 13.0 percent, respectively, in 1975 and decreased from 18.4 percent and 15.7 percent, respectively, in the first quarter of 1975 to 11.7 percent and 10.5 percent, respectively in the first quarter of 1976.

Imports of carbon steel structural shapes and piling increased 9.1 percent in 1972 compared with 1971, decreased 22.1 percent in 1973 compared with 1972, decreased 7.9 percent in 1974 compared with 1973, decreased 29.2 percent in 1975 compared with 1974 and increased 16.7 percent in the first half of 1976 compared with the first half of 1975. The ratio of imports to domestic shipments increased from 19.1 percent in 1974 to 19.2 percent in 1975 and the ratio of imports to domestic consumption decreased from 16.8 percent in 1974 to 16.6 percent in 1975. The ratios of imports to domestic shipments and consumption increased from 18.5 percent and 16.1 percent, respectively, in the first half of 1975 to 30.6 percent and 23.9 percent, respectively, in the first half of 1976.

Imports of bar increased 6.8 percent in 1972 compared with 1971, decreased 9.2 percent in 1973 compared with 1972, decreased 8.5 percent in 1974 compared with 1973, decreased 37.1 percent in 1975 compared with 1974 and decreased 60.5 percent in the first half of 1976 compared with the first half of 1975. The ratios of imports to domestic shipments and consumption decreased from 8.6 percent and 8.1 percent, respectively, in 1974 to 7.7 percent and 7.2 percent, respectively, in 1975 and decreased from 9.8 percent and 9.1 percent, respectively, in the first half of 1975 to 4.0 percent and 3.9 percent, respectively, in the first half of 1976.

Imports of steel rail increased 31.4 percent in 1972 compared

with 1971, decreased 0.5 percent in 1973 compared with 1972, increased 26.1 percent in 1974 compared with 1973, increased 81.2 percent in 1975 compared with 1974 and decreased 77.0 percent in the first quarter of 1976 compared with the first quarter of 1975. The ratios of imports to domestic shipments and consumption increased from 5.4 percent and 5.6 percent, respectively, in 1974 to 7.7 percent and 8.0 percent, respectively, in 1975 and decreased from 6.6 percent and 6.5 percent, respectively, in the first quarter of 1975 to 1.4 percent and 1.5 percent, respectively, in the first quarter of 1976.

Contributed Importantly

Over 95 percent of the steel ingots, blooms and slabs of the plant's Steelmaking Division are consumed by Bethlehem Steel Corporation in the production of steel products at either the Lackawanna plant or at other Bethlehem Steel Mills. Less than 5 percent of the Division's production represents sales to trade customers.

Carbon steel structural shapes and piling customers of the Mills Structural and Slabbing Division indicated that imports were an important factor in current procurement decisions. Some customers had shifted purchases of steel to foreign sources because of its lower price. All customers indicated that foreign structural steel and piling are readily available at cheaper prices than domestic steel and that the availability and use of this foreign steel together with the current slump in the construction industry were adversely affecting their businesses.

Carbon steel sheet and strip customers of the plant's Strip Mill Division were primarily engaged in the manufacture of automobiles and automobile component parts. Use of imported steel was minimal by

these customers although domestic supply conditions in 1974, in which steel consumers were placed on allocation basis by the domestic steel industry, in some cases did affect steel purchase patterns in 1974 and somewhat in 1975. Fluctuations in purchases of sheet and strip were primarily in response to changes in sales and production in the auto industry. Purchases of sheet and strip were substantial in 1974 as the auto industry prospered but dropped sharply in 1975 as automobile sales and production fell. Purchases of sheet and strip have been increasing in 1976. The Department has not recommended a certification in any prior case involving carbon steel sheet and strip based on the facts and information presented.

The Lackawanna plant's Specialty Products Shop produces highway guard rail, guard rail material, corrugated roofing and a variety of shapes and products manufactured to customer specifications. These customers indicated that they had not shifted purchases to foreign sources. Purchases were influenced by domestic business conditions and in the case of guard rail and guard rail material were influenced by State and Federal specifications for the use of domestic product only.

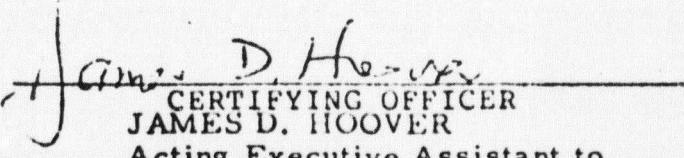
Conclusion

After review of the facts obtained in the investigation, I conclude that increases of imports like or directly competitive with carbon steel structural shapes and piling produced in the Mills Structural and Slabbing Division of the Lackawanna plant of Bethlehem Steel Corporation, located in Woodlawn, New York, contributed importantly to the total or partial separations of the workers at that plant. In accordance with the provisions of the Act, I make the following certification:

"All workers at the Lackawanna plant of Bethlehem Steel Corporation, Woodlawn, New York, engaged in the production of carbon steel structural shapes and piling in the Mills Structural and Slabbing Division who became totally or partially separated from employment on or after May 7, 1975 are eligible to apply for adjustment assistance under Title II, Chapter 2 of the Trade Act of 1974."

I further conclude that increases of imports like or directly competitive with steel ingots, blooms and slabs produced in the plant's Steelmaking Division, carbon steel sheet and strip produced in the plant's Strip Mill Division, bar and steel rail produced in the Mills Bar Division and special products produced in the plant's Specialty Products Shop did not contribute importantly to the total or partial separations of the workers at that plant.

Signed at Washington, D.C. this 20th day of September 1976.

  
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CERTIFYING OFFICER  
JAMES D. HOOVER  
Acting Executive Assistant to  
the Deputy Under Secretary

U.S. DEPARTMENT OF LABOR  
BUREAU OF INTERNATIONAL LABOR AFFAIRS

WASHINGTON, D.C. 20510

Date: 9/1/76  
Reply to: Trade Act of 1974, Worker Petition Regarding Eligibility  
Act of: to Apply for Adjustment Assistance, Bethlehem Steel  
Subject: Corporation, Lackawanna Plant, Woodlawn, New York (TA-W-884)



To: Certifying Officer

I. Recommendation

In accordance with 29 CFR 90.15 and the criteria set forth in Section 222 of the Trade Act of 1974, it is recommended that all workers engaged in employment related to the production of carbon steel structural shapes and piling in the Mills Structural and Slabbing Division at the Bethlehem Steel Corporation Lackawanna plant located in Woodlawn, New York, who became totally or partially separated from employment on or after May 7, 1975 be certified as eligible to apply for adjustment assistance under Title II, Chapter 2 of the Trade Act of 1974.

This recommendation is based on the following findings:

1. Imports of carbon steel structural shapes and piling increased relative to domestic shipments from 1974 to 1975 and increased absolutely in the first half of 1976 compared with the first half of 1975.
2. Shipments and production of carbon steel structural shapes and piling decreased in 1975 compared with 1974 and decreased in the first half of 1976 compared with the first half of 1975.
3. Employment of production workers engaged in the production of structural shapes and piling in the Mills Structural and Slabbing Division decreased in 1975 compared with 1974 and decreased in the first half of 1976 compared with the first half of 1975.
4. Customers shifted purchases of carbon steel structural shapes and piling from the Lackawanna plant to foreign sources.

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It is further recommended that all employees engaged in production of steel ingots, blooms and slabs in the plant's Steelmaking Division; all employees engaged in the production of sheet and strip in the plant's Strip Mill Division; all employees engaged in the production of bar and rail in the Mills Bar Division and all employees engaged in the production of special products in the plant's Specialty Products Shop at the Bethlehem Steel Corporation Lackawanna plant in Woodlawn, New York be denied certification.

This recommendation is based upon the following findings:

1. Since 1973, imports of the category including carbon steel ingots, castings, blooms, billets, slabs and sheet bars have never exceeded 0.3 percent of domestic shipments.
2. Over 95 percent of the steel ingots, blooms and slabs of its Steelmaking Division are consumed by Bethlehem Steel in the production of steel products either at Lackawanna or other Bethlehem Steel mills.
3. Carbon steel sheet and strip customers of the Strip Mill Division are primarily engaged in the production of automobiles and automobile component parts. Reductions in sheet and strip purchases were in response to declining automobile sales and production in 1975 and were not attributable to these customers shifting purchases of sheet and strip to foreign sources.
4. Customers of the plant's Specialty Products Shop indicated that they had not shifted purchases of special products to foreign sources.
5. Imports of carbon steel bar decreased absolutely and relatively in 1975 compared with 1974 and decreased absolutely and relatively in the first half of 1976 compared with the first half of 1975.
6. The plant's production and sales of rails from the Mills Bar Division increased each year compared to the previous year since 1973 and increased in the first quarter of 1976 compared with the first quarter of 1975.

## II. Worker Petition and Labor Department Notice of Investigation

On May 19, 1976, the Office of Trade Adjustment Assistance received a petition filed by three workers under Section 221(a) of the Trade Act of 1974 on behalf of workers and former workers of the Bethlehem Steel Corporation, Lackawanna plant, Woodlawn, New York, engaged in the production of steel beams, bars, strips, ingots, billets and specialty steel items. The investigation revealed that the following items are also produced; carbon steel sheet, structural shapes and piling, slabs, blooms and rail.

Accordingly, the Director of the Office of Trade Adjustment Assistance issued a Notice of Investigation (41 FR 23818) on May 19, 1976 including a provision that interested parties may request the Department to hold a public hearing on the subject of investigation not later than ten days after the notice is published in the Federal Register. No request was received. During the course of the investigation, official notice was taken of the information and publications of the International Trade Commission, the U. S. Department of Commerce, Bethlehem Steel Corporation and its customers, the American Iron and Steel Institute, industry analysts and Department files. The recommendation is based upon the entire record and the following findings of fact.

## III. Company, Plants and Production

Bethlehem Steel Corporation was established as the Bethlehem Iron Company in 1863 to roll railroad rails in Bethlehem, Pennsylvania. In 1905, the company was incorporated into Bethlehem Steel Corporation. Bethlehem continued to expand through merger and acquisition and now functions as a fully integrated nationwide steelmaking concern.

The Lackawanna plant was acquired by Bethlehem in 1922. The plant produces the following carbon steel products: strip mill plates, hot and cold rolled sheets and strip, bars, structural shapes, rails, piling, and semi-finished in the form of blooms, slabs and ingots. Also produced is galvanized sheet, in sheet and strip operations, and in a Specialty Products Shop, a variety of items are fabricated, including guard rail, guard rail material, corrugated roofing and various other items and shapes produced to customer specifications. In the Specialty Products Shop, corrugated roofing represents 5 to 10 percent of the Shop's production; production consists primarily of guard rail and shapes.

#### IV. Industry Perspective

In 1972, there were 251 establishments with twenty employees or more producing steel. Blast furnaces and steel mills (SIC 3312) are located in 23 states, with more than two-thirds located in the Northeastern and North Central States.

Employment in the steel industry in 1975 was the lowest it has been in the last five years. An average of 470,100 persons were employed in this industry in that year; of that number, 367,300 or 78.1 percent were production workers. This represents a decline of 10.0 percent from the 522,600 employed in 1974. Employment in this industry was at record levels in both 1973 and 1974, during a period of near capacity production. The sharp contraction in the production of steel which began in the spring in 1975 is reflected in the average employment level for the year.

Employment in the steel industry in March of 1976 was recorded at 455,100 workers, an increase of 0.4 percent over the 453,5000 employed in this industry in February of 1976. This rise in employment in March continued the trend of increasing monthly employment that the industry has experienced since November of 1975. However, employment in March, 1976 was still 8.4 percent below the employment level recorded for March of 1975.

Carbon steel ingots and castings (SIC 3312211) and blooms, billets, slabs and sheet bars (SIC 3312213) are components of the five digit classification, steel ingots and semifinished steel products. In 1973, the 13 largest producers of carbon ingots, castings, blooms, billets, slabs and sheet bars accounted for over 80 percent of the domestic capacity to produce these products, with two producers accounting for 39 percent of the total capacity.

Imports of this category increased 48.7 percent in 1975 compared with 1974 and decreased 43.6 percent in the first quarter of 1976 compared with the first quarter of 1975. The ratio of imports to domestic production and consumption increased from 0.10 percent for each in 1974 to 0.18 percent for each in 1975 and decreased from 0.22 percent for each in the first quarter of 1975 to 0.14 percent for each in the first quarter of 1976.

In 1973, there were thirty companies operating in eleven states producing carbon steel sheet and strip, with three companies alone accounting for one half of total U.S. production. More than two-thirds of domestic production capacity is located in Pennsylvania, Ohio, Indiana, and Michigan.

Imports of carbon sheet and strip decreased 23.3 percent in 1975 compared with 1974 and decreased 16.3 percent in the first quarter of 1976 compared with the first quarter of 1975. The

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ratios of imports to domestic shipments and consumption increased from 13.3 percent and 12.1 percent, respectively, in 1974 to 14.9 percent and 13.0 percent, respectively, in 1975 and decreased from 18.4 percent and 15.7 percent, respectively, in the first quarter of 1975 to 11.7 percent and 10.5 percent, respectively, in the first quarter of 1976.

Carbon steel structural shapes (SIC 3312415) and piling (SIC 3312417 and 3312419) are components of the five digit classification hot rolled bars, bar shapes and plates (SIC 33124). The 1972 Census of Manufactures reported that there were 86 establishments producing hot rolled bars, bar shapes and plates with 43 establishments having 75 percent or more specialization in these products. Thirteen U.S. companies produce structural shapes and piling, six of which produce both products, with the remaining seven companies producing only structural shapes.

Imports of carbon steel structural shapes and pilings decreased 29.2 percent in 1975 compared with 1974 and increased 16.7 percent in the first half of 1976 compared with the first half of 1975. The ratio of imports to domestic shipments increased from 19.1 percent in 1974 to 19.2 percent in 1975 and the ratio of imports to domestic consumption decreased from 16.8 percent in 1974 to 16.6 percent in 1975. The ratios of imports to domestic shipments and consumption increased from 18.5 percent and 16.1 percent, respectively, in the first half of 1975 to 30.6 percent and 23.9 percent, respectively, in the first half of 1976.

In 1975 there were approximately ninety firms operating about one hundred establishments which produced steel bars. The principal producing states were: Pennsylvania, Ohio, Indiana, Illinois and New York. Twelve fully integrated steel producers account for the bulk of bar production. Several domestic producers consume most or all of their production of bars in the manufacture of components for the products for which they are more widely known; automobiles, farm implements and bearings.

Imports of carbon steel bar decreased 37.1 percent in 1975 compared with 1974 and decreased 60.5 percent in the first half of 1976 compared with the first half of 1975. The ratios of imports to domestic shipments and consumption decreased from 8.6 percent and 8.1 percent, respectively, in 1974 to 7.7 percent and 7.2 percent, respectively, in 1975 and decreased from 9.8 percent and 9.1 percent respectively, in the first half of 1975 to 4.6 percent and 3.9 percent respectively, in the first half of 1976.

Imports of rail increased 81.2 percent in 1975 compared with 1974 and decreased 77.0 percent in the first quarter of 1976 compared with the first quarter of 1975. The ratios of imports to domestic shipments and consumption increased from 5.4 percent and 5.6 percent, respectively, in 1974 to 7.7 percent and 8.0 percent, respectively, in 1975 and decreased from 6.6 percent and 6.5 percent, respectively, in the first quarter of 1975 to 1.4 percent and 1.5 percent, respectively, in the first quarter of 1976.

Table 1  
Carbon Steel Ingots, Castings, Blooms, Billets, Slabs  
and Sheet Bars

Annual 1971-1975

(units in thousands of net tons)

Year	U.S. Production	U.S. Exports	U.S. Imports	Apparent U.S. Consumption	I./P.*	I./C.**
1971	106,894.5	771.7	170.6	106,293.4	0.16	0.15
1972	117,642.0	396.3	161.6	117,407.3	0.14	0.14
1973	132,544.8	510.8	87.8	132,121.8	0.07	0.07
1974	125,439.6	727.8	122.9	125,334.7	0.10	0.10
1975	100,447.3	219.8	182.8	100,410.3	0.18	0.16

Year to Date: January through March

1975	29,662.1	26.1	66.0	29,702.0	0.22	0.22
1976	27,058.7	32.9	37.2	27,063.0	0.14	0.14

\* I./P. = (Imports/Production) x 100

\*\* I./C. = (Imports/Consumption) x 100

( Annual 1971 - 1975 )

(units in thousands of net tons)

Year	U.S. Shipments	U.S. Exports	U.S. Imports	Apparent U.S. Consumption	I./S.%	I./C.**
1971	34,095.3	531.2	7,700.7	41,264.8	22.6	18.7
1972	38,172.8	738.0	6,956.7	44,391.5	18.2	15.7
1973	47,050.3	814.3	5,857.3	52,093.3	12.5	11.2
1974	42,569.0	1,277.0	5,676.2	46,968.2	13.3	12.1
1975	29,259.0	217.5	4,356.0	33,397.5	14.9	13.0

Year to Date: January through March						
1975	7,428.7	85.9	1,369.1	8,711.9	18.4	15.7
1976	9,813.5	41.0	1,146.3	10,923.8	11.7	10.5

Table 3  
Structural Shapes and Piling of Carbon Steel  
Annual 1971-1975

(units in thousands of net tons)						
Year	U.S. Shipments	U.S. Exports	U.S. Imports	Apparent U.S. Consumption	I./S.%	I./C.**
1971	5,127.8	131.7	1,566.7	6,562.8	30.6	23.9
1972	5,114.9	105.6	1,708.8	6,717.1	33.4	25.4
1973	6,359.0	237.9	1,332.0	7,453.1	20.9	17.9
1974	6,428.2	338.1	1,226.8	7,316.9	19.1	16.8
1975	4,527.8	170.1	868.7	5,226.4	19.2	16.6

Year to Date: January through June						
1975	2,717.9	95.3	503.8	3,226.4	18.5	16.1
1976	1,920.0	46.3	587.7	2,461.4	30.6	23.9

\* I./S. = (Imports/Shipments) x 100

\*\* I./C. = (Imports/Consumption) x 100

**Carbon Hot and Cold Rolled Steel Bars**  
 (Annual 1971-1975)

(units in thousands of net tons)

Year	U.S. Shipments	U.S. Exports	U.S. Imports	Apparent U.S. Consumption	I./S.*	I./C.**
1971	6,675.7	70.6	876.6	7,481.7	13.1	11.7
1972	7,683.1	97.0	935.9	8,527.0	12.2	11.0
1973	8,859.3	146.7	849.4	9,572.0	9.6	8.9
1974	9,076.3	258.1	777.1	9,595.3	8.6	8.1
1975	6,372.9	113.0	483.7	6,748.6	7.7	7.2
Year to Date: January through June						
1975	3,642.9	60.2	358.6	3,941.3	9.8	9.1
1976	3,570.1	48.9	141.7	3,652.9	6.0	3.9

Table 5  
 Carbon Steel Rails  
 Annual 1971-1975

Year	U.S. Shipments	U.S. Exports	U.S. Imports	Apparent U.S. Consumption	I./S.*	I./C.**
1971	919.2	46.6	32.2	904.8	3.5	3.6
1972	957.7	95.6	42.3	904.4	4.4	4.7
1973	936.9	89.7	42.1	912.3	4.4	4.6
1974	990.3	88.0	53.1	955.4	5.4	5.6
1975	1,247.8	138.3	96.2	1,205.7	7.7	8.0
Year to Date: January through March						
1975	295.9	15.0	19.6	300.5	6.6	6.5
1976	328.7	33.1	4.5	300.1	1.4	1.5

\* I./S. = (Imports/Shipments) x 100

\*\* I./C. = (Imports/Consumption) x 100

See Reports for Sources and Footnotes

## V. Company Sales, Production, Imports and Inventory

Plant sales to trade customers of steel blooms, slabs and ingots from Lackawanna's Steelmaking Division in terms of quantity decreased 68.2 percent in the last three quarters of 1974 compared with the last three quarters of 1973, increased 46.6 percent in 1975 compared with 1974 and decreased 90.0 percent in the first quarter of 1976 compared with the first quarter of 1975. Sales of blooms, slabs and ingots have never exceeded 5.0 percent of the Division's production of blooms, slabs and ingots since 1973.

Sales of sheet and strip in terms of quantity from the plant's Strip Mill Division increased 2.9 percent in 1974\* compared with 1973\*, decreased 53.8 percent in 1975 compared with 1974 and decreased 30.5 percent in the first quarter of 1976 compared with the first quarter of 1975.

Sales of structural steel and piling in terms of quantity from the Mills Structural and Slabbing Division decreased 17.0 percent in 1974\* compared with 1973\*, decreased 45.0 percent in 1975 compared with 1974 and decreased 82.1 percent in the first quarter of 1976 compared with the first quarter of 1975. No wide-flanged structural steel has been produced at Lackawanna since May 1975.

Sales of bar from the Mills Bar Division in terms of quantity decreased 1.7 percent in 1974\* compared with 1973\*, decreased 31.6 percent in 1975 compared with 1974 and decreased 30.8 percent in the first quarter of 1976 compared with the first quarter of 1975.

Sales of specialty items from the plant's Specialty Products Shop in terms of quantity decreased 15.9 percent in 1974\* compared with 1973\*, decreased 48.9 percent in 1975 compared with 1974 and decreased 22.6 percent in the first quarter of 1976 compared with the first quarter of 1975.

Sales of rail from the Mills Bar Division in terms of quantity increased 120.9 percent in 1974\* compared with 1973\*, increased 80.7 percent in 1975 compared with 1974 and increased 95.1 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of ingots, slabs and blooms in the plant's Steelmaking Division in terms of quantity decreased 17.5 percent in 1974\* compared with 1973\*, decreased 42.4 percent in 1975 compared with 1974 and decreased 17.4 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of sheet and strip in the plant's Strip Mill Division in terms of quantity increased 3.0 percent in 1974\* compared with 1973\*, decreased 55.9 percent in 1975 compared with 1974 and increased 30.7 percent in the first quarter of 1976 compared with the first quarter of 1975.

\* 1st quarter excluded

Production of structural steel and pilings in the Mills Structural and Slabbing Division in terms of quantity decreased 20.8 percent in 1974\* compared with 1973\*, decreased 47.2 percent in 1975 compared with 1974 and decreased 82.0 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of bars in terms of quantity in the Mills Bar Division decreased 7.9 percent in 1974\* compared with 1973\*, decreased 33.5 percent in 1975 compared with 1974 and decreased 29.9 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of specialty items in terms of quantity in the plant's Specialty Products Shop decreased 19.9 percent in 1974\* compared with 1973\*, decreased 50.6 percent in 1975 compared with 1974 and decreased 37.5 percent in the first quarter of 1976 compared with the first quarter of 1975.

Production of rail in terms of quantity in the Mills Bar Division increased 155.8 percent in 1974\* compared with 1973\*, increased 96.4 percent in 1975 compared with 1974 and increased 61.0 percent in the first quarter of 1976 compared with the first quarter of 1975.

Neither the Lackawanna plant nor any other Bethlehem Steel plant imports any semi-finished steel, sheet, strip, structural, bar, specialty items, or steel rail.

Inventories of ingots, blooms and slabs in terms of quantity in the plant's Steelmaking Division decreased 25.2 percent in 1974 compared with 1973, increased 16.0 percent in 1975 compared with 1974 and decreased 29.4 percent in the first quarter of 1976 compared with the first quarter of 1975.

Inventories of sheet and strip in terms of quantity in the plant's Strip Mill Division decreased 24.9 percent in 1974 compared with 1973, decreased 2.2 percent in 1975 compared with 1974 and increased 118.5 percent in the first quarter of 1976 compared with the first quarter of 1975.

Inventories of structural steel and piling in terms of quantity in the Mills Structural and Slabbing Division decreased 29.4 percent in 1974 compared with 1973, decreased 70.8 percent in 1975 compared with 1974 and decreased 73.5 percent in the first quarter of 1976 compared with the first quarter of 1975.

Inventories of bar in terms of quantity in the Mills Bar Division decreased 11.4 percent in 1974 compared with 1973, decreased 51.6 percent in 1975 compared with 1974 and decreased 48.7 percent in the first quarter of 1976 compared with the first quarter of 1975.

\* 1st quarter excluded

Inventories of specialty items in terms of quantity in the plant's Specialty Products Shop decreased 57.8 percent in 1974 compared with 1973, decreased 6.3 percent in 1975 compared with 1974 and decreased 44.2 percent in the first quarter of 1976 compared with the first quarter of 1975.

Inventories of rail in terms of quantity in the Mills Bar Division decreased 24.9 percent in 1974 compared with 1973, increased 46.5 percent in 1975 compared with 1974 and increased 11.5 percent in the first quarter of 1976 compared with the first quarter of 1975.

#### VI. Company Employment

Employment of production workers in the plant's Steelmaking Division engaged in the production of ingots, blooms and slabs decreased 4.3 percent in 1974 compared with 1973, decreased 58.3 percent in 1975 compared with 1974 and decreased 11.1 percent in the first half of 1976 compared with the first half of 1975.

Employment of production workers in the plant's Strip Mill Division engaged in sheet and strip production decreased 5.6 percent in 1974 compared with 1973, decreased 53.3 percent in 1975 compared with 1974 and increased 85.8 percent in the first half of 1976 compared with the first half of 1975.

Employment of production workers in the Mills Structural and Slabbing Division engaged in the production of structural steel and piling decreased 7.0 percent in 1974 compared with 1973, decreased 55.3 percent in 1975 compared with 1974 and decreased 45.8 percent in the first half of 1976 compared with the first half of 1975.

Employment of production workers in the Mills Bar Division engaged in the production of bars and rails decreased 14.0 percent in 1974 compared with 1973, decreased 27.8 percent in 1975 compared with 1974 and decreased 13.3 percent in the first half of 1976 compared with the first half of 1975.

Employment of production workers in the plant's Specialty Products Shop decreased 9.1 percent in 1974 compared with 1973, decreased 66.0 percent in 1975 compared with 1974 and decreased 5.7 percent in the first half of 1976 compared with the first half of 1975.

#### VII. Factors Contributing to Total or Partial Separations of Employees

Carbon steel blooms, slabs and ingots are included in a category also including castings, billets and sheet bars. Imports of this category decreased 5.3 percent in 1972 compared with 1971, increased 40.0 percent in 1974 compared with 1973, increased 48.7 percent in 1975 compared with 1974 and decreased 43.6 percent in the first quarter of 1976 compared with the first quarter of 1975. The ratio of imports to domestic production and consumption increased from 0.10 percent respectively, for each in 1974 to 0.18 respectively,

for each in 1975 and decreased from 0.22 percent respectively, for each in the first quarter of 1975 to 0.14 respectively, for each in the first quarter of 1976.

Imports of carbon steel sheet and strip decreased 9.7 percent in 1972 compared with 1971, decreased 15.8 percent in 1973 compared with 1972, decreased 3.1 percent in 1974 compared with 1973, decreased 23.3 percent in 1975 compared with 1974 and decreased 16.3 percent in the first quarter of 1976 compared with the first quarter of 1975. The ratios of imports to domestic shipments and consumption increased from 13.3 percent and 12.1 percent respectively, in 1974 to 14.9 percent and 13.0 percent respectively, in 1975 and decreased from 18.4 percent and 15.7 percent respectively, in the first quarter of 1975 to 11.7 percent and 10.5 percent respectively, in the first quarter of 1976.

Imports of carbon steel structural shapes and piling increased 9.1 percent in 1972 compared with 1971, decreased 22.1 percent in 1973 compared with 1972, decreased 7.9 percent in 1974 compared with 1973, decreased 29.2 percent in 1975 compared with 1974 and increased 16.7 percent in the first half of 1976 compared with the first half of 1975. The ratio of imports to domestic shipments increased from 19.1 percent in 1974 to 19.2 percent in 1975 and the ratio of imports to domestic consumption decreased from 16.8 percent in 1974 to 16.6 percent in 1975. The ratios of imports to domestic shipments and consumption increased from 18.5 percent and 16.1 percent respectively, in the first half of 1975 to 30.6 percent and 23.9 percent respectively, in the first half of 1976.

Imports of bars increased 6.8 percent in 1972 compared with 1971, decreased 9.2 percent in 1973 compared with 1972, decreased 8.5 percent in 1974 compared with 1973, decreased 37.1 percent in 1975 compared with 1974 and decreased 60.5 percent in the first half of 1976 compared with the first half of 1975. The ratios of imports to domestic shipments and consumption decreased from 8.6 percent and 8.1 percent respectively, in 1974 to 7.7 percent and 7.2 percent respectively, in 1975 and decreased from 9.8 percent and 9.1 percent respectively, in the first half of 1975 to 4.0 percent and 3.9 percent respectively, in the first half of 1976.

Imports of steel rail increased 31.4 percent in 1972 compared with 1971, decreased 0.5 percent in 1973 compared with 1972, increased 26.1 percent in 1974 compared with 1973, increased 81.2 percent in 1975 compared with 1974 and decreased 77.0 percent in the first quarter of 1976 compared with the first quarter of 1975. The ratios of imports to domestic shipments and consumption increased from 5.4 percent and 5.6 percent respectively, in 1974 to 7.7 percent and 8.0 percent respectively, in 1975 and decreased from 6.6 percent and 6.5 percent respectively, in the first quarter of 1975 to 1.4 percent and 1.5 percent respectively, in the first quarter of 1976.

Plant sales of steel ingots, blooms and slabs from the Steel-making Division were 4.0 percent of total Division ingot, bloom and slab production in 1973, 1.8 percent of production in 1974, 4.6 percent of production in 1975 and 0.4 percent of plant product in the first quarter of 1976. The majority of steel is either utilized in Lackawanna's production or is shipped to other Bethlehem Steel plants for utilization in the plants' production processes.

Carbon steel structural shapes and piling customers of the Mills Structural and Slabbing Division indicated that imports were a factor in steel procurement decisions. Some customers had shifted purchases of steel to lower priced imports to maintain a competitive stature in the industry. All customers indicated that foreign structural steel and piling is readily available at cheaper prices than domestic steel and that the availability and use of this foreign steel together with the slump in the construction industry was adversely affecting their businesses.

Carbon steel sheet and strip customers of the plants Strip Mill Division were primarily engaged in the manufacture of automobiles and automobile component parts. Use of imported steel was minimal although in some cases, based upon domestic supply conditions in 1974 in which customers were put on an allocation basis by the domestic steel industry, imported sheet and strip usage in 1975 was slightly above average. Steel purchases were substantial in 1974 as the auto industry prospered but dropped sharply in 1975 as automobile sales and production fell. Purchases of sheet and strip are increasing in 1976. The Department has not recommended a certification in any prior case involving carbon steel sheet and strip based on the facts and information presented.

Customers of Lackawanna's Specialty Products Shop indicated that imports were not a factor in purchases of these steel products. Most of the customers purchased highway guard rail or guard rail material and specified shapes. Purchases have generally remained stable and in some instances increased. Most guard rail customers are engaged in highway work in states which restrict them to the use of domestic materials only. None of the customers were aware of any imported guard rail or guard rail material being used by competitors. Fluctuations in purchases by customers specifying shapes were primarily in response to business conditions or particular requirements.

#### VIII. Appropriate Subdivision, Impact Date and Estimated Caseload

The following constitute the appropriate subdivisions, all at Bethlehem Steel Corporation's Lackawanna plant, Woodlawn, New York: workers engaged in the production of steel ingots, blooms and slabs in the plant's Steelmaking Division; all workers engaged in the production of steel sheet and strip in the plant's Strip Mill Division; all workers engaged in the production of structural

shapes and piling in the Mills Structural and Slabbing Division; all workers engaged in the production of bars and steel rail in the Mills Bar Division and all workers engaged in the production of special products in the plant's Specialty Products Shop.

If an impact date of May 7, 1975 is accepted for those workers engaged in the production of structural steel and piling in the Mills Structural and Slabbing Division, an estimated adjustment assistance caseload of approximately 400 workers would be generated.

If the recommendation of denial is accepted for those workers in the plant's remaining Divisions, approximately 1,600 workers would be denied eligibility to apply for adjustment assistance.

#### IX. Area Unemployment and Prospects for Displaced Workers

The unemployment rate for the Buffalo, New York area in May, 1976 was 10.4 percent. Prospects for reemployment of the former plant workers are fair and currently, retraining programs for the former workers are extremely limited.

MARVIN M. FOOKS  
Director, Office of  
Trade Adjustment Assistance

I concur, accept and adopt the findings of fact and recommendation as set forth herein, except as noted below.

Exceptions: